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ABSTRACT

This essay explores the issues arising from enrollment decline by examining the local school district context in which these issues must ultimately be resolved. The first section of this paper suggests that fluctuation in enrollment should not be treated separately from the continuously changing economic, political, and social environment of the district. The second section explores alternative school district responses to decline and argues that the key difference between effective management and simply holding the line lies in the capacity to manage change. The last section offers recommendations for a National Institute of Education agenda on problems of enrollment decline. Three phases of change management are discussed: mobilization of support, implementation of plans for retrenchment, and institutionalization of change efforts. (Author)

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The Management of Decline: Problems, Opportunities, and Research Questions

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The Management of Decline: Problems, Opportunities, and Research Questions

Demographic shifts--a sharp drop in the birth rate, young middle-class flight to suburbia's outer areas, localized within and between district migration--have produced a marked national trend toward decline in public school enrollment and "crisis of decline" in many school districts. The progeny of the post-war baby boom are showing little inclination to maintain the higher fertility rates of their parents; in 1980, it is expected that there will be 5.5 million fewer public school students than in 1970. But national averages tell only part of the story; the aggregate decline in enrollment does not affect all school districts in the same way. That is, for a particular school district, local migration pattern can be an even more significant source of decline. For example, 125 million people moved across county lines between 1960 and 1970.[1] Out-migration may cause some districts to experience a severe enrollment drop while state averages remain the same. Moreover, within-district migration may create problems of localized decline. Thus, while the total enrollment of a district may remain more or less constant, the movement of young families to the more affordable outer suburbs means that the pupil population has shifted to new neighborhoods. This shift causes a need for new buildings in one area of the district while a surplus exists in another.

However significant these direct and immediate consequences of enrollment decline may be, they fall short of putting the problem into its full perspective. Enrollment decline is one part of the broader problem of how school districts adjust to a period of contraction after an extraordinary period of growth. Whether in the face of "no growth" the effectiveness of schools will diminish, remain the same, or perhaps increase depends only partly on the magnitude of enrollment decline; the critical factor will be the way in which districts respond to their changed reality.

This essay explores the issues arising from enrollment decline by examining the local school district context in which these issues will ultimately be resolved. Policymakers and practitioners alike appear uncertain as to how seriously enrollment decline should be taken. The prognosis is cloudy for two reasons. First of all, accurate forecasts about the future depend on a clear understanding of the complexity of the problem facing schools. The first section of this paper suggests that fluctuation in enrollment should not be treated separately from the continuously changing economic, political, and social environment that defines a district's agenda. Moreover, each school district is constrained by such organizational characteristics as its salary schedule, its physical plant, its student population, and its staff attributes. Thus, both the environmental situation and the organizational constraints form the local context within which the problem of enrollment decline gets defined.

A second obstacle to predicting the effects of enrollment decline concerns the responses of school districts. Judging from past experience during period of growth, LEA reactions to enrollment may be quite varied. The second section of this paper explores alternative school district responses to decline and argues that the key difference in their responses turns on their capacity and style of *managing change*. We shall argue that if, on the one hand, districts faced with decline do not revise the way they manage change, their effectiveness in delivering educational services may erode; if, on the other hand, they alter their management in an appropriate manner, their effectiveness can be improved. In short, enrollment decline may prove to be a crisis or an opportunity.

Based on the first section's analysis of the nature of the decline problem and the second section's analysis of possible district responses, the last section offers recommendations for an NIE research agenda on problems of enrollment decline. We shall focus on suggesting research that would seek to understand how school districts might manage change better and, more particularly, how they might improve their

response to fluctuations in such "exogeneous" inputs as change in enrollment.

1. The Complex Reality of Enrollment Decline

The literature seldom sets the problem of enrollment decline in the environmental and organizational context as it is perceived by school district decisionmakers. Instead a limited and particularistic view is often taken: some discussions focus on demographic considerations (e.g., the lack of forecasting techniques), on political constraints (e.g., community opposition to school closings), on questions of economics (e.g., state aid formulas), on bureaucratic concerns (e.g., staff reductions). Though all these analyses are relevant, they each diagnose only part of a complex institutional reality. Unless the multiple realities--demographic, political, economic, and organizational--are seen as being inseparably joined the problems posed by enrollment decline can be misunderstood, either under or overestimated. And neither research on the problem nor practical advice on what should be done are likely to deal with the significant issues. This section considers the connections among various aspects of enrollment decline.

Demographic Considerations

Rodekohr found in a survey of Colorado superintendents that many school districts were unaware of or underestimated enrollment decline.[2] This situation of unawareness is perhaps an extreme symptom of a more general problem--most school districts do not have adequate technical expertise and facilities to do demographic forecasting. Models and techniques for predicting trends and reducing uncertainty in enrollment estimates on a local as well as regional basis are available.[3] There is a reed, however, for LEA staff to be trained in generating the appropriate data and using these forecasting techniques.

Yet the problem of recognizing, assessing, and planning for decline is not solved by simply acquiring the needed information or by hiring "demographic specialists." A distinct danger exists that districts and federal and state policymakers will perceive the problem in technological terms, as other issues were so often construed in the recent past. For example, evaluation data generated by local "evaluation specialists" typically have had no effect on school district operations because the system is not organized to use it.[4] For example, although a number of districts--particularly large urban districts--have invested heavily in elaborate research and evaluation units, we have observed few instances in which the resulting analysis significantly influenced day-to-day decisions or even issues of general policy. For one, the evaluations were not structured in a way that was useful or understandable to district participants. The reports typically were too technical for district trustees and managers to interpret and the data were aggregated at a level that was meaningless to principals and teachers. Second, even if evaluations were presented in an accessible format, few districts have managed to coordinate evaluation procedures with decisionmaking cycles or to establish appropriate channels for dissemination and discussion of evaluation findings. Consequently, evaluation efforts are typically isolated and unrelated to district policy and practice. Similarly, we would expect that school districts would not apply demographic data in an effective manner unless they change the way they do things. Unfortunately, most school districts are set up to do short-term "crisis management" rather than long-term comprehensive planning. Thus, unless they develop an improved capacity for planning of a type discussed later in this paper, we anticipate that the typical school district response to even timely and high quality information about decline is likely to reflect a short-term and technological perspective. Clearly, the technological aspects of decline only scratch the surface of the problem.

Political Constraints

Practitioners are quickly learning that such "solutions" to decline as school closings or staff reductions can be highly charged community issues as neighborhood schools are threatened and education programs are trimmed.[5]

It would be easy, however, to draw the wrong lessons from these bitter experiences. Administrators may be tempted to respond to enrollment decline as just another "crisis" to be weathered, rather than solved. They may elevate short-run political considerations to the level of an assumed constraint that deters them from taking difficult but needed steps. Averting conflict was simpler during the era of school growth; administrators could avoid making hard choices among incomparable values--e.g., whether to have a certain type of reading program, an art program, or a special education program--by doing some of everything. But decline may mean that difficult choices or trade-offs may have to be made, and many school boards and administrators may act to hide the problems or choose the least politically damaging alternative. Yet such efforts to minimize conflict and maintain community harmony assume that the root of the problem goes no deeper than the enrollment decline. Unfortunately, the political problem facing school districts is more complex and more subtle because of the shift over the past decade in public attitudes toward schools.

The 1960's not only saw a rapid growth in student population but also witnessed a significant expansion of public expectations concerning the role and function of American schools. The public used to be content with a school focus on the 3Rs. By the end of the 60's, however, schools were responsible for delivering an expanded curricula (especially science) and attending to the special educational needs of such groups as the handicapped, the disadvantaged and the non-English speaking. In addition, they were asked to assume responsibility for such traditionally non-school concerns as drug and sex education, nutrition, preventive health care, child care, and a range of community services. The political problem for school administrators arises because

the decrease in student enrollment has not been accompanied by diminished public expectations. On the contrary, schools may be asked to do even more in such areas as bicultural education, career education, student counselling and life-long learning. Furthermore, not only has there been increased public expectations about what schools *ought* to be doing, but the public has become more concerned with *how well* schools are doing their jobs. Questions of both educational quality and the proper role of the schools--generated and nurtured by the reform movement--have escalated in the face of disappointing evaluation results, the well-publicized nationwide test-score decline, and rising youth unemployment.

Thus, school district officials faced with enrollment decline must simultaneously cope with the political realities of an *expectation lag*. School people are perceived as having "failed" with the influx of new resources accompanying the Great Society initiatives; now they are asked to "succeed" with shrinking dollars. And, moreover, they are expected to maintain the menu of services available during the period of growth. It is precisely the science labs, the specialized programs, and the alternatives that officials may feel must be cut back because of enrollment decline and reduced revenues; yet once parents have come to expect such services, cutbacks raise serious political difficulties.

Therefore, the root of the political problem of dealing with decline is public skepticism and disaffection with schools.[6] Political "solutions" that define the problem narrowly--e.g., as one of avoiding conflict while closing schools--are likely not to work as more than temporizing measures and may further erode public support. More importantly, this crisis approach does not advance the long term need to build consensus within the community and provide a more stable and supportive environment to weather the coming era of retrenchment.

Economic Aspects

The economic aspects of enrollment decline has received considerable attention among analysts concerned with state financing laws. But these studies often do not treat the political budgetary issues faced by LEAs.

State financing regulations are generally tied to average daily attendance (ADA) so that enrollment drops can result in financial hardships for individual districts.* It seems apparent that states should adopt more flexible financing formulas. Indeed, Robert Goettel argues that "states should annually change the factors used to calculate the general support formula."[8] This proposal has considerable merit, though its political feasibility in these fiscally conservative times is problematic. Yet adjustments in state financing formulas primarily address one aspect of the local fiscal problem of enroliment decline. Namely, because school districts generally must balance their budgets, when their revenue goes down due to a decreased enrollment, they must proportionately reduce their expenditures. But many costs are "lumpy"--that is, enrollment decline does not necessarily occur in administratively convenient units. For example, if the district loss of 60 third grade students comes from 30 schools, then it could not compensate for the decreased revenue by reducing its teaching force accordingly. Instead, the district either must make other cuts or hope that state aid formulas could take into account this lumpiness (e.g., by having "hold harmless" provisions).

Even more flexible state aid formulas would not, however, deal with the full local budgetary problem of reallocating funds within a relatively smaller budget.** Thus, even when district per pupil expenditure

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*Those districts that receive equalization aid and supplemental support often suffer a double loss. With decreased enrollment, the assessed valuation per ADA often increases and the district's supplemental aid is decreased.

**Because we are focusing on the implications of decline, we will not explicitly consider the broader issue of whether the general level of school district revenues are adequate, particularly in urban districts. The economic problems precipitated by enrollment decline are sometimes underestimated; outsiders may not realize that when a district's resources are generally inadequate, then even an absolutely small drop in the rate of revenue increase may act as "the last straw" and thus seriously exacerbate an already marginal situation.

(PPE) is stabilized and local budgets are balanced by state aid formulas, the internal budget reallocations made necessary by a relative drop in revenue may mean a qualitative reduction in the educational services available to students.* This potential decrease in the quality of educational delivery is a result of at least two factors. First, fixed costs may not be reduced proportionate to an overall reduction in the budget. Consequently, "discretionary" dollars shrink. In other words, the fixed costs per student may rise even though per pupil expenditure remains constant. For example, school districts generally maintain a teacher tenure system and a salary schedule with built in steps for automatic salary advances (plus an inflation factor). Where "reduction in force" becomes necessary, untenured and thus lower paid teachers are let go first, thereby increasing the average teacher cost per pupil. Moreover, these increasing fixed costs may be accompanied by possible erosion in staff vitality. For example, the higher average years of experience of the teaching staff and the lower turnover rate might cut down on the infusion of new ideas.

The potential disproportionate rise in fixed costs with reductions in district revenue also means a loss in discretionary resources.** For example, in addition to supporting core educational services (as well as other fixed costs), many districts and schools develop distinctive instructional programs: A district's capacity to introduce, implement, and most importantly sustain improved educational practices depends on its ability to "free up" funds, reallocate resources, and try out innovative

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*The wide variation in state financing laws makes generalizations about the budgetary effects of enrollment decline rather treacherous. Indeed, we may be presenting an extreme negative case in the text above. On the positive side, it is possible for districts to benefit financially from a decrease in enrollments if (a) the state contribution is relatively low and (b) the local tax system adjusts slowly or not at all.

**In a broad sense, the loss of discretionary funds is one example of how a "no growth" situation can limit "organizational slack"--i.e., the resources necessary to adapt to new situations in ways that are not deleterious to educational delivery.

educational approaches.* And it is precisely this "organizational slack" that can get severely restricted when budget cuts are made.

A second factor threatens the quality of educational delivery when enrollment decline reduces revenues--the possible loss of "economies of scale." With the rapid increase in school enrollment, larger school districts (some created by consolidation) were able to finance such additional features as science laboratories, programs for special student groups, specialists and resource staff, inservice training and alternative programs. Though these facilities and services were often started as supplemental to the "core" programs, they typically have become part of the regular educational services of districts and help to define their unique characteristics. A relative drop in revenue may mean that the district can no longer realize such economies of scale and thus feels that it must terminate these formerly supplemental yet now essential services.

Taken together, the loss of both discretionary resources and economies of scale that result from budget cuts can significantly erode the quality of a district's educational program. The teaching staff have less support services and decreased exposure to new techniques and development opportunities; the special programs, courses and student services may be curtailed, thereby defining student options more and more in terms of a "standard educational fare." The consequent problem posed for district administrators can be summarized simply: the budget cuts brought about by declining enrollment often mean that the district pays the same (or even more) for less educational service.

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*Federal and state special project and categorical funds are often used for introducing and implementing new practices but (with the exception of Title I) they are generally not available for continuation of innovations. Most districts that attempt far reaching change have used their own funds in addition to whatever "soft money" they have been able to get.

Organizational Constraints

The demographic, political, and economic changes precipiated by enrollment decline define the new environmental reality to which LEAs must adjust. Accordingly, the attention of analysts and policymakers have focused on charting, plotting, and predicting external events, leaving internal bureaucratic issues largely unexplored. But decline can mean that school districts must adapt their organization within the constraints of the district's *existing* physical plant, student population, staff abilities, personnel agreements, and bureaucratic patterns. The organizational adjustments can be expected to be particularly complex and difficult because they follow upon an unparalleled period of growth in American public education.

District expansion was frequently accompanied by organizational growth in which new activities became part of the on-going school operations; some of these activities constituted a new level of organizational functioning that was added on to the system in ratchet-like fashion. District officials and policymakers risk a possible long-term erosion of the quality of educational delivery by assuming they can simply subtract-out that which was added-on during expansion. LEAs are constrained in what they can subtract-out and the costs of reversing decisions made during expansion may be hidden as well as high. In short, the bureaucratic essence of the decline problem--the historical thread that ties the demographic, political, and financial dimensions together--is that the process of contraction cannot be accomplished simply by reversing the process of expansion.

For example, during the period of student expansion that characterized the 60's, the education sector responded by producing more teachers, advancing administrators rapidly, and initiating massive building programs. Reduced enrollments require that the "supply" of teachers be adjusted (or that other institutional arrangements such as a lowering of the student-to-teacher ratio be made). Thus, one aspect of enrollment decline is an education sector issue of "supply and demand" adjustments--how much must the number of teacher college

graduates be reduced or district staff be pared down to be in accord with a smaller number of students? However, the problem is more complicated than familiar market calculations might suggest. Major difficulties arise because local institutional constraints prevent an easy or rapid change in district personnel or personnal policy. Because district administrative positions, for example, may be reduced or held constant during contraction, career advancement becomes less likely than originally anticipated. Many vice principalships were created during expansion and were seen as a stepping stone to a principalship; this expectation was realistic in a growing system but cannot be realized during a 'no growth' period. Nonetheless existing vice principals are part of the local system and they cannot be "demoted" without severe morale problems. Similarly, the tenure system and teacher unionization means that local districts cannot easily dismiss teachers, nor can they make assignments to balance more senior and often less vital staff. In short, existing organizational agreements limit how successfully "reduction in force" can mirror the original process of staff growth without disrupting the local system and jeopordizing its educational effectiveness.

Another aspect of organizational growth that cannot easily be reversed is the development during the 60's of such specialized institutional structures as special program offices, curriculum services, media and resource centers, and compensatory education offices. These new institutional arrangements typically replaced activities that previously had occurred at the school or central office level by expanded and more effective services outside of the line organization. In light of the new services, schools and central office staff revised the nature and focus of their activities and areas of responsibility. If LEAs eliminated or reduced specialized structures as a consequence of decline, then schools and central office staff would have to assume tasks which they are no longer organized to fulfill and could not carry out as effectively. For example, in some school districts, curriculum service units have replaced and expanded services previously performed by the elementary and secondary divisions; these operational divisions

have changed their staff and procedures accordingly so that they do not have the capacity to provide equivalent resource services. The cost to a school district of eliminating the curriculum services division and reabsorbing its activities within the operational divisions would be high: it would comprise a loss in effectiveness as well as efficiency.*

In summary, it is neither feasible nor desirable for LEAs to attempt contraction by reversing or undoing decisions made during expansion. On the contrary, the main organizational component of the decline problem for many school districts is--or ought to be--to improve their performance in those areas of reform begun during expansion but never effectively realized. We believe that rather than undoing past organizational changes, school districts need to learn to *manage change* better so as to optimize the delivery of educational services within their resource constraints and environmental situation.

2. Management of Decline: Crisis or Opportunity

Enrollment decline and contraction thus pose complex situational and organizational issues for school districts. "Solutions" to these demographic, political, economic, and bureaucratic issues may imply fundamental changes in the way a district manages itself--that is, in the way a district organizes its internal structures and processes and allocates its resources to adapt to changing environmental and institutional conditions. Therefore, policy and research should confront the basic issue: are school districts willing to adopt significant changes in the way they manage their affairs and do they have the capacity to manage these changes effectively?

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*We assume here that these specialized services do indeed improve the overall effectiveness or "productivity" of school districts. In fact, their effectiveness has varied because their implementation has differed. Some school districts have implemented specialized structures in ways that greatly enhance delivery; others have not. Thus, the loss of specialized structures would affect districts differently. Nonetheless, even in districts where specialization may not have proved particularly advantageous, the elimination of such structures would have a high "opportunity cost" because it would foreclose the future development of more effectively implemented services.

This section presents two scenarios about how districts might respond to enrollment decline. On the one hand, the way school districts typically managed change over the last decade suggests a pessimistic view of prospects for the coming time of contraction. Despite the adoption of better demographic techniques or the passage of flexible state aid formulas or the availability of information on how to avoid political disasters, enrollment decline might still precipitate crises in the delivery of educational services if districts continue their current organizational patterns. On the other hand, the reality of contraction--tightened budgets, public skepticism, increasing fixed costs--might force districts to face the hard choices they had previously been able to ignore. Consequently, instead of continuing the management patterns that developed during growth, districts might rethink their priorities, re-examine the way they allocate resources, and restructure their internal organizational processes.[10] In short, enrollment decline and the associated pressure toward retrenchment may either initiate crises that could erode educational delivery or present an opportunity for school districts to develop the capacity for effectively managing change.

In all likelihood, school districts will "muddle-through" decline and pragmatically deal with crises as they come along. In this sense, neither of our scenarios will fully materialize for most districts. We admit to believing that school districts cannot simply muddle-through and expect the delivery of educational services to improve or even maintain its performance. For us, the crux of the policy problem--the justification for treating decline as an issue worthy of sustained research--is to figure out how districts can use decline as an opportunity while avoiding severe crises.

We consider this policy question --essentially a management issue-- to be the most fundamental as well as the least studied aspect of the decline problem. By exploring the two scenarios crisis or opportunity, this section hopes to uncover crucial dimensions of the management

dilemmas facing school districts. We will examine critical shortcomings in the way districts have typically managed innovations and consider what might happen if they were to manage decline in the same way; we also will discuss organizational practices that could help districts cope with decline and improve their educational delivery.

Whether an effort to deal with decline involves the introduction of a new planning system, reassignment of personnel, closing of schools, or other solutions, it is likely to imply an alteration or change in existing bureaucratic patterns. It is, in short, a change effort and, in order to reach fruition, it must go through a complex organizational process that can be conceptualized as involving three phases--mobilization, implementation, and institutionalization.[11] The following discussion is organized around these phases.

MOBILIZATION

Regardless of the type of change effort used to respond to decline, the most important step in introducing change may be to mobilize support from all levels of the school system. During the period of growth, school people often neglected the need to generate support from the staff and the community; consequently, many past innovative efforts lacked the commitment and dedication to overcome difficulties inherent in introducing change.

Two organizational characteristics account for past failures to generate support for district change efforts. First, district officials often made decisions in terms of short-run political or bureaucratic concerns. For example, many districts obtained federal dollars opportunistically--just because money was available--rather than securing these special project funds to deal with a well-defined delivery need.

Though such pure opportunism may fulfill short-run political and bureaucratic pressures, this approach to "change" had serious long-run costs; money and political capital were wasted, innovations were not taken seriously and, thus, change efforts were symbolically implemented. More importantly, teachers and principals often become cynical toward the initiatives and directives of central office officials.

School district planning also has been deficient. In many districts, planning tended to be short-term and crisis-oriented. Or it tended to be "top-down" and to isolate the staff and the community from the planning process. In either event, the management style and capacity of school districts often failed to generate support during the important phase of mobilizing to change.

What problems can be anticipated for school districts which approach mobilizing for decline in this politically or bureaucratically oriented crisis style? They may react by adopting an avoidance strategy or, by an attempt to "sweep problems under the rug," which may have been a rational strategy during expansion.* However, avoidance might be a poor strategy during decline, depending on the magnitude of the district's enrollment decrease. If the magnitude of a district's

*In the era of expansion, public pressures generally did not force districts to make tradeoffs. In fact, the way districts handled community demands during this period tended to have just the opposite effect on district decisionmaking. School boards and district officials typically reacted to special interest groups by creating small (often symbolic) special projects that proliferated willy-nilly. This short-term strategy of mollification could be afforded by districts because of the slack available during the period of expansion. But the long-term organizational cost of doing so was seldom considered: districts too often lost the opportunity to develop their staff, to build a capacity for managing change, and to implement significant reform.

enrollment decline and financial squeeze is not too severe, these crisis strategies might enable the district to "weather the storm" without "rocking the boat;" if the decline difficulties are severe, these strategies by themselves are unlikely to prevent eventual deterioration of the district's educational program due to the economic and organizational problems previously discussed (e.g., an older and less vital teaching staff or a more narrow menu of special programs.) In either case, these responses allow the original but faulty process of mobilization to go unchanged.

How might LEAs mobilize to respond to decline in ways that could have beneficial long-term consequences for school district operations? First of all, districts would have to do comprehensive planning.[12] Such planning would, of course, imply improved local forecasting techniques. But, as we suggested earlier, new demographic information would have to be integrated into an enlightened district process of decisionmaking. In particular, a key aspect of mobilization should be to conduct planning so as to generate broad-based support for the district's efforts to change its priorities and its allocation of resources. Support is required from all elements that comprise the local educational system--the community, the local and state governments, and the staff.

Though there is no assured way to gain community support, it seems clear that the old management style of "closing" the system off from the community--and often from the Board--does not build the reservoir of trust and confidence necessary to implement hard choices. Greater and genuine community participation is needed not only at or after a decision but <u>during</u> the planning process. Moreover, depending on local conditions, school outreach activities (e.g., senior citizen programs) may provide both short-run benefits that mitigate the costs of decline (e.g., using surplus space and bringing in new revenues) and the long-term opportunity to open the boundaries of the system.

To gain support from state and local governments, school districts might have to become more actively engaged in lobbying of a positive, not simply defensive form. During growth, districts came to expect governmental financial "relief" as their rightful due. This belief may have contributed to a reactive and dependent posture. In California, for example, many school district officials effectively were left without a viable operating strategy when the Brown administration failed to come through on schedule with an expected increase in state aid. Few districts had developed alternative policies or initiatives to maintain district services in the event that the state did not "bail them out" as usual. Districts need to change this style if they are to compete with the other powerful forces characterizing contraction (e.g., local property tax revolts and the emergence of strong and "anti-administration" teacher organizations). More extensive regional and national cooperation among school districts and more active involvement in state legislation would be appropriate.

Generating support from within the organization for reassignment of personnel or reallocation of the traditional distribution of resources may prove the most difficult aspect of decline, particularly for districts accustomed to a top-down style of management. The literature strongly suggests that resistance to change can be reduced if the staff participates in the planning process. The generation of broad-based support as part of district planning processes requires more than a change in district point of view concerning community and staff involvement in district affairs: it also requires the development of structures that facilitate the participation and input of both building-level staff and community. One of the most effective arrangements we have seen is a Council/Conference structure that cuts across the district's divisional lines of authority and consists of regular and frequent working meetings of staff and community. Representatives of teachers, administrators and parents meet in their separate conference groups. These groups also send delegates to the district Instructional Council, the district's

official policymaking body which is designed to provide a forum in which all of these interests can be heard. Such participatory structures can function not only to secure broad-based input but can also serve to promote "cross pollination" between groups and special interests in the district. As a result, participatory structures can enable a district to move from a mangement style that is characterized by "conflict avoidance" to one that serves the longer-term interest of "consensus building."

Implementation

The typical school district experienced considerable difficulty in implementing innovative efforts during the era of reform. A major source of these difficulties can be traced back to ineffective mobilization that did not generate adequate institutional support. For example, where teacher commitment and principal support did not exist, change efforts often broke down when conflict or unforeseen events arose. Or, change efforts were implemented in ways that left the staff and school organization unchanged. The ineffective management of specialists also contributed to poor implementation. For example, specialized structures and services of LEAs often did not promote project "learning". Evaluations, which became popularized and often mandated during the period of expansion, were usually summative in nature (thus satisfying bureaucratic or political concerns); they generally failed to play a formative role in the adaptation of a change effort to its local setting.* Similarly, specialized support personnel typically did not provide guidance and assistance during implementation because they were not routinely involved in school operations and regularly apprised of school problems and needs.

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*Effective implementation requires, in our view, a process of mutual adaptation between change efforts and the institutional setting. See Berman and McLaughlin, Federal Programs Supporting Educational Change, The Rand Corporation, R-1589/IV, 1975.

What implications does this past record have for the coming period of contraction? The creative use of "surplus" space, reassignment of personnel, increased emphasis on in-service activities, revision of budgeting procedures and similar fundamental changes are likely to run into implementation difficulties. If LEAs were to continue to deal with these difficulties as they did in the past, results similar to those sketched above are likely to occur--that is, even the most promising "solutions" to enrollment decline may be implemented in a symbolic fashion or may break down during the first few years and then be abandoned. Moreover, if extensive budget cuts and reassignments were to be implemented ineffectively, the educational program might be seriously eroded because the wide margin of error available during growth no longer exists.

In contrast to this worst case scenario, school districts might use decline as an opportunity to develop the district's capacity to implement change. One promising way to deal with reassignment of personnel is staff development activities, particularly in-service training. Reassigned, tenured teachers who concentrated on reading, for example, might require inservice training to smooth the transition to teaching the whole curriculum in lower grades. The "need" to institute such training to alleviate decline also presents an opportunity for LEAs to develop an on-going staff development program that might enhance the staff's ability to implement change on a continuous basis. In other words, staff development efforts might replace "innovativeness" as a means for "stirring up" and revitalizing the educational system during contraction.

A second area requiring improved management involves more efficient use of specialized structures during implementation. The period of growth seems to have exacerbated a general district problem of a lack of integration and common purpose between the central office and the schools and indeed among schools themselves. Attempts to implement

innovations often foundered on--and ended up reinforcing--this district fragmentation. Moreover, specialists and middle management staff who ought to have functioned to provide integration for the system (e.g., in the form of communication channels, monitoring, and assistance for change efforts) typically did not fulfill this purpose. This inadequate management caused school people little political difficulty during growth because they could always "experiment" with some new centralization, or decentralization, scheme. However, in a period of limited resources, districts cannot afford the luxury of only marginally effective administrators and specialists. On the contrary, improvement of administrative practices, and the consequent reduction of duplication of service or function, may be a key to realizing the same or even higher levels of delivery effectiveness with fewer resources.

Institutionalization

During the period of growth, the typical school district did not seem to pay sufficient attention to institutionalizing change efforts--i.e., to making them a routine part of the district's procedures rather than a temporary or peripheral add-on. This inadequate attention to institutionalization accounts for the often noted tendency of even "successful" change to disappear after several years.

For example, it was unusual for districts to plan for the continuation of a special project after the end of federal funding. Federal funds were considered as soft money rather than start-up funds and special projects were simply "added-on" to the core program without planning for their long-term integration into the district's operations. Yet these projects were not "free goods." They not only implied hidden administrative costs but also established institutional expectations that one or another change effort would replace the "used up" ones. Districts often seemed to feel they did not need to make such initial provisions for continuation for they could, in the period of expansion, always

count on getting more funds to try something new rather than concentrating on making the existing change effort work.

The apparent belief in endless growth that was reflected in special project decisions also pervaded most district allocation decisions. For example, during the period of expansion, budget decisions were typically made in an incremental and disjointed fashion. Thus, general increases in district revenues were often added-on to the budget in the form of across-the-board percentage increases to all district divisions. Districts did not institutionalize procedures for making allocation tradeoffs because they generally thought--correctly in the growth period--that the district budget pie would expand enough to keep the slices the same.

When faced with a relatively decreasing or "no growth" budget, how might districts respond? Once again budget cuts made necessary by declining enrollment can be handled as either a crisis or an opportunity. If districts were to view their budgetary situation as they did in the past and continue to make budgetary decisions in the same way, then one would expect such consequences as a general retrenchment and a precipitous curtailment of "costly" programs. Moreover, because "costly" is typically defined by political considerations, programs oriented toward upgrading the overall quality of educational delivery would be likely to succumb to pressures from special interests.

But the need to cut the budget also presents an opportunity to institutionalize a revised budgetary process as a means of reassessing district priorities on a routine basis. Most districts do not organize and collect cost information in ways that give district officials and board members a sense of the tradeoffs among different instructional programs or between instruction and business (or other) operations. Cost-benefit models do exist for the management of firms that have been applied successfully in several school systems. However, their use in

educational settings runs two risks. First, there is the danger of the technological assumption that such systems as PPBS could be automatically installed without being adapted to and integrated with the bureaucratic and political patterns that constitute the institutional reality of school districts. Clearly a change in the budget process that would allow tradeoffs requires significant changes in organizational patterns.

Secondly, it could wrongly be assumed that a more rationalized budget process could avoid the value choices and conflicts inherent to public school systems. On the contrary, an objective of new budgetary procedures might be to expose hard choices--i.e., to reveal how much is being "sacrificed" in one area to meet needs or demands in another area. To deal with the increased potential conflict heightened by exposing hard choices, the entire process should aim to generate support by institutionalizing broad-based participation.

The "fiefdom" quality of school district management is nowhere more apparent than in the budgetary process. Typically, the district budget is prepared by the district business manager in collaborating with the superintendent, and then put in final form by the school board. Other district personnel have input to this essentially closed process only by means of their division budget recommendations. Those recommendations typically inflate division needs and "hide" controversial items. This form of budget preparation provides no forum for an informed discussion of trade-offs--for example, what is more important to the district as a whole--an elementary music program or a secondary drug education project? One district we have visited has successfully dealt with this counterproductive compartmentalization of the budget process by opening up deliberation on priorities and needs to a system-wide participatory structure and the decision on district allocation to all members of the superintendent's cabinet. It appears that this open process has finally led central office administrators to evaluate the needs of their institutional unit in terms of the educational needs and objectives of the district as a whole. A budgetary process such as this which

opens the area of deliberation and decisionmaking by no means does away with conflict. But it minimizes covert (and often divisive) intra-organizational competition and allows informed debate to focus on broader district plans and goals.

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In summary, the "solution" to enrollment decline ultimately rests with local school districts. They might react to the demographic, political, economic and bureaucratic problems associated with decline in much the same way as they reacted to growth; if so, a continuing struggle to simply "stay in place" or an erosion of educational delivery seems likely. Instead, LEAs might make the opportunity to attempt to improve their operations and management practices. Assuming that research can identify practices that ought to be changed, the capacity and willingness of districts to mobilize, implement, and institutionalize these changes should be considered a critical issue for research and policy.

3. Toward a Research Agenda

The preceding discussions of the environmental and organizational constituents of enrollment decline and the issues associated with the capacity of school districts for managing change form a background for developing a research agenda on declining enrollments. We believe the central thrust of a research agenda on enrollment decline should be to analyze the following question: How can local school districts use the adversity of enrollment decline and contraction as an opportunity to improve educational delivery while avoiding shortrun crises?

This essay has argued in effect that answering the above research question requires a systematic understanding of the management of school district operations. More specifically, we believe the basic research component of the research agenda should aim to

- identify areas of school district management capacity and

style that should and can be changed

- o determine strategies that districts might use to implement these changes
- o recommend state and federal policies that might assist school districts in changing themselves (and also recommend federal policies that might assist state educational agencies to adopt appropriate policies and practices toward the local decline problem).

The applied research component of the agenda ought to consist of a series of complementary empirical studies. Based on our earlier discussion of the alternative ways districts might manage decline (as a crisis or an opportunity), the areas sketched below represent candidates for applied studies. We selected these candidates because (a) they represent issues that most districts facing decline will have to make decisions about for better or for worse, (b) they seem to be amenable to short-run analyses, and (c) they both reflect the basic problem of managing change and must be addressed by any district attempting to strengthen its capacity to manage change.

a. District Use of Comprehensive Planning for Decline

Comprehensive planning connotes an approach to district management and decisionmaking that takes a long-term and "system" perspective as opposed to the more immediate and short range view of "crisis management." Development of an operational and well-articulated model of comprehensive planning that could guide district behavior and activities is a long-range research objective. Nonetheless, there are a number of components of comprehensive planning that are immediately relevant to districts facing a decline in student enrollment and about which applied studies could provide timely information.

- o Facilities Planning

  Districts usually employ a straightforward cost/benefit calculus in determining which building sites to maintain, which to close temporarily and which to sell. It has become apparent, however, that the "costs" to be considered in facilities planning extend beyond dollars and cents. Specifically, serious environmental or neighborhood impact issues have begun to be identified for the closing of school sites. Yet these considerations remain relatively unmapped and unarticulated. Applied studies might aim to develop techniques for local school districts to generate systematic information on the nature and long-term significance of environmental or neighborhood components of facilities planning--effects on property values, crime rate, local support for schools, migration patterns and so on.

- o Coordination of Municipal and School District Planning

  The relative isolation of school district governance and planning from the activities and planning of their municipalities has resulted in the duplication or mismatch of services, decisions and facilities in a number of areas--e.g., recreation, health care, transportation, continuing education, bi-cultural services, rezoning decisions, road-improvement programs, and so on. Though the wasteful and inefficient management practices that resulted from the partitioning of community services and the isolation of school district administration could be tolerated

during a period of growth, perpetuation of these governance and decisionmaking patterns unnecessarily limits the response of both the district and the municipality to the pressures of a budget squeeze. Applied studies might analyze possible schemes or processes of cooperation and coordination that could minimize these inefficiencies and suggest how districts and municipalities could work together in their mutual best interest.

- o Forms of Regional Cooperation

  Declining enrollments have forced or may force districts to severely reduce or eliminate support services (such as curriculum resource personnel, aides, teacher centers) and curriculum services (such as library facilities, field trips, enrichment activities, alternative programs) that were important to the quality of a district's educational program. Inter-district or regional cooperation in securing and providing such services presents clear economies of scale. However, past efforts to structure and deliver such consolidated and coordinated services--though early Title III PACE centers or through district consortia, for example--have not been consistently successful either in securing appropriate district participation or offering what districts saw as useful and relevant services. Past experience suggests that there is much to be learned about the incentives, structures and processes necessary to the effective functioning and utilization of regional or cooperative efforts.

b. Institutionalizing New Budgetary Procedures

In order to make tradeoffs within and across different line operations, some school districts have experimented with budgeting procedures derived from business operations. The first task of policy-research would be to identify "effective" budgeting procedures. However, research and policy should deal with two related issues. First, the implementation and institutionalization of these management practices can be expected to be difficult. What strategies can school officials use to make sure these practices work? Secondly, budgeting procedures that in fact allow the "cost" of various options to be weighed are bound to produce

unanticipated effects on a wide range of school district operations. What impacts would these budgeting procedures have on bureaucratic patterns, educational delivery, and community relations?

c. Training for Administrators and Teachers

- o Staff Development (In-Service)

  Staff development needs can be expected to become more acute and more significant as enrollment decline greatly reduces the number of "new hires" in a school system and creates the need to restructure the functions and career paths of remaining staff. Unfortunately, administrators and teachers alike believe that staff development or in-service efforts have generally been ineffective; therefore staff development is often viewed by districts as an ancillary activity that is a likely candidate for reduction as declining enrollments force budget cuts. Though staff development strategies such as one-shot use of outside consultants or mandated after-school sessions to introduce new technologies are widely seen as inadequate, there is presently little guidance as to more effective techniques or alternative models. Research is needed (a) to determine approaches to staff development that can foster growth and learning, (b) to identify school district policies and procedures that can provide incentives for significant staff involvement in in-service activities, and (c) to identify LEA practices that would furnish opportunities for more relevant coordination between staff development activities and classroom practices.

- o Pre-Service Training

  Just as there is general agreement that most in-service or staff development activities currently available are inappropriate in both format and substance, so is there growing consensus that the pre-service training offered by schools of education does not adequately prepare teachers or administrators for the reality and demands of their jobs. What should a revised school of education

curriculum look like? An important source of data here would be practitioners themselves. Many superintendents contend that traditional training in "educational administration" is out of date; they would like to see courses that would help them function more effectively in the political and bureaucratic realities of today's school systems. For example, school superintendents often complain that the required course work in personnel, budgeting and the like is not relevant to the jobs of most superintendents today--personnel directors and budget directors handle these responsibilities. In addition to surveying practitioner preferences, U.S. notions of restructuring pre-service education might profitably be informed by the experience of teacher training institutes in other Western countries such as England and Norway.

- Balance Between In-Service and Pre-Service Training

  A related and more basic inquiry in the area of staff development has to do with the preferred balance between pre-service and in-service efforts. Many states--California, for example--focus almost exclusively on the support and oversight of pre-service efforts. Yet experience with efforts to introduce innovations in local schools suggests that district staff cannot know what it is they need to know until they need to know it. Furthermore, research on teaching indicates that the developmental needs of a first year teacher are very different from those of a third year teacher. A teacher with five or more years of experience has yet different skill and pedagogical needs. This research on the sequencing and substance of staff needs implies that in-service training comprises the more fruitful focus for staff development efforts. More research is needed to suggest what the optimal mix and sequencing of professional development activities should be.

d. Participatory Structures

Though issues of community involvement and increased staff participation in district decisionmaking received attention during the decade of expansion, these concerns generally were not pursued vigorously either by staff or community (except perhaps in the relatively isolated cases of Model Cities programs or the parent advisory structures mandated by ESEA Title I). Since there was generally "enough to go around" during the period of growth, staff and community participatory structures often were not perceived by the intended beneficiaries as critical to achieving their special interests. Thus it is not surprising that most demands for increased participation resulted in pro forma and desultory arrangements that were typically viewed by district officials as a necessary ritual and by participants as ineffective.

A much higher premium should be placed on the establishment and effective operation of participatory structures during a period of declining enrollments. A growing number of practitioner case studies point to the serious (and often unexpected) political and bureaucratic problems that result when these decisions about district response to enrollment decline are made behind the closed doors of the superintendent's cabinet or in executive sessions of the school board.

What kinds of structural arrangements can support meaningful participation of staff and community in district decisionmaking? To what extent does increased participation mean shared power? What kinds of authority should be delegated? What kinds of feedback systems are necessary to insure the healthy functioning of participatory structures? Who should participate? How should participants be selected? Answers to these and other questions about the integration of participatory structures into standard district operating procedures can probably only be answered by a field based analysis of operations in the relatively few districts that have succeeded in establishing these structures during a period of growth.

e. Collective Bargaining

Though state and federal governments cannot directly influence the direction and substance of collective bargaining by teachers, efforts by

these outside agencies to influence local practice and behavior will be significantly affected by the bargaining activities of teachers' organizations. Specifically, the flexibility of local school systems in determining new staffing patterns and responsibilities in response to declining enrollments and shrinking budgets will be greatly reduced by the negotiated agreements with the teaching staff. State and federal policies seeking to assist and support efforts to improve local practices require a realistic assessment of the staffing options available at the local level.

f. State Financing Formulas

A consistent complaint by local districts is that state financing formulas are neither sufficiently flexible nor realistic. The variety of state formulas currently in use present what is in effect a natural experiment for policy analysis. Systematic examination of existing state practices and their impact on local school districts would be useful to state policymakers as they rethink their own formulas. There is, in addition, a question as to whether the existing alternative state aid formulas take into account all of the independent variables that impact on local practices during a period of declining enrollments. Assessment and revision of state aide formulas, then, would benefit from a closer look at the combinations and permutations of factors that influence school district management during a period of decline. In addition to such a field-based analysis, consideration of state aid formulas should also include a review of state education legislation and a determination of the ways in which these state laws constrain local choices and decisions.

g. State and Federal Roles in Local Institution Building

A period of declining enrollments can forecast, as the previous section argued, either a "crisis" in which the quality of educational services can be expected to erode, or an "opportunity" in which school

districts can reassess their management and strengthen the overall capacity of their institution to deal with decline--or growth. Though it is clear that most districts lack the capacity to manage change--to adapt effectively to their changing environment--it is not clear how state or federal governments could best assist local districts to build their institutional capacity. Up to now, these government agencies have tended to focus on narrow and discrete aspects of school reform (such as curriculum) rather on the more fundamental problem of institutional capacity. Furthermore, assistance to local districts has typically been defined in terms of change products rather than in terms of the change process.

There does not exist much experience, then, that can help define a useful and appropriate state or federal role in supporting local institution building efforts. This difficult issue is further complicated by national traditions of federalism and pluralism that explicitly or implicitly constrain state or federal involvement in local school affairs. Nonetheless, there do appear to be legitimate and fruitful areas of state and federal concern--the categorical funding of staff development programs, for example. Furthermore, it appears that few school districts have the resources to accomplish the task of institution building by themselves. The role of state and federal governments in local institution building, then, appears to be a critical research area that requires both a "macro" analysis of the constraints and possibilities of action at the state and federal levels, as well as analysis of the "micro" reality--that is, information about local needs and about how local districts can best make the transitions necessary to the effective management of change.

In summary, the research agenda ought to comprise a mix of applied studies and basic research. The above list suggests a number of applied studies that could provide information for timely and focused assistance to school districts struggling with the specific problems generated by declining enrollments and the general problem of strengthening local capacity to manage change. However, it is important that these applied

studies be undertaken in conjunction with basic research on school district behavior. The applied studies are limited inquiries and can furnish only partial answers to the problem of school district management. Basic research is needed to provide a theoretical perspective so that applied studies can stay on track and be cumulated. Furthermore, basic research can help establish parameters, particularly pertaining to the institutional context, that need to be adjusted if applied recommendations based on one set of cases are to be used in other settings.

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Based on a telephone survey of officials involved in facilities planning in those school districts originally sampled by Sargent and Handy (see below), this study attempts to determine: what criteria are used in school closure decisions, the methods for determining optimum school size, cost savings resulting from school closures, the disposition of closed school buildings, and the impact of elementary school closures on surrounding neighborhoods. Although the data are quite summary, several conclusions merit further investigation in a more detailed analysis. These include: 1) relatively few school districts used non-school related criteria, such as impact on neighborhoods, property values, or outmigration of young families in deciding which schools to close; 2) in those districts where the actual cost savings had been calculated, fewer dollars were saved than had been expected; and 3) closed schools affected the viability of the neighborhoods in which they were located--property values declined, crime increased, and support for public education diminished in these areas.

Arveson, Raymond G., Implications of Decreasing Student Enrollments, paper presented at the American Association of School Administrators Annual Convention, Atlantic City, February 22-26, 1974.

As superintendent of the Hayward, California Unified School District, Arveson has had to oversee the closure of four schools because of decreased enrollment. In this paper, he suggests how such closures, along with the accompanying reduction in staff, can best be implemented so as to avoid adverse reaction from the community.

Boulding, Kenneth E., "The Management of Decline," Change, Vol. 7, No. 5, June 1975, pp.8-9. (Excerpted from a speech to the Regents Convocation of the University of the State of New York, Albany, September 20, 1974).

Boulding predicts that education is likely to be the first major sector of the economy to suffer a decline and the management of this decline may well set the tone for the management of a general slowdown in other aspects of social life. He points out that most of the United States' experience up to now has been with growth and Americans are, therefore, ill-equipped for the management of decline. Consequently, Boulding believes that one of education's first priorities should be development of a new generation of academic administrators who are skilled in adjusting to decline. However, before this can be done, much more needs to be known about the actual process of decline. Boulding suggests a study of declining sectors of the past, such as agriculture and the railroads, as one of the ways to understand better the process of decline.

Brunetti, Frank, "Enrollment Decline: Major Issues for 1975," CEFP Journal, Vol. 12, No. 4, July-August 1974, pp.10-12.

This article summarizes the demographic, enrollment, and language indicators which can be used by school districts in projecting the magnitude of forthcoming enrollment declines. Although the elements of a comprehensive planning process needed to cope with enrollment decline are also outlined, they are presented in a rather summary fashion with no detailed explanation or discussion.

Campbell, Alan K., The Politics and Economics of the Future Financing of Public Education, paper presented at the Institute for Chief State School Officers, Jackson Hole, Wyoming, 1974.

The author discusses a number of reasons why there is proportionately less money available for public education today that there was in the 1950s and 1960s, and why the political strength of public

education is decreasing. Amond the reasons he cites are: 1) due to a shift in the population, other groups such as the elderly are demanding are demanding social services which compete directly with education for resources; 2) public opinion pools since 1969 show a decline in support for public education among its traditionally strongest supporters, those of high education and socioeconomic status; and 3) school enrollment decline coincides with public discussion on research showing little relationship between spending for education and student achievement.

Carnegie Foundation for the Advancement of Teaching, More Than Survival: Prospects for Education in a Period of Uncertainty, Jossey-Bass, San Francisco, 1975.

This book is a summary of some forthcoming studies commissioned by the Carnegie Council on the decline in growth of higher education. Enrollment growth in higher education, which more than doubled in the 1960s is now slowing down and is likely to reach a zero growth rate within a decade. One of the studies, based on a survey of more than 1,200 college presidents, was designed to find out how various types of institutions are responding to decline in enrollment. Many colleges and universities reported a change in their student-faculty ratio, in the quality and variety of programs offered, and in the types of students being admitted. Perhaps one of the most important findings was that declining rates of enrollment have caused authority to shift from lower to higher levels (e.g., from academic departments to campus administration and from campus to system board) and most college presidents expect that between now and 1980, authority will continue to shift in the same direction.

Cronin, Joseph M., "The Decline of the School as an American Priority," National Elementary Principal, Vol. 53, No. 4, May-June 1974, pp. 39-42.

This article is an exhortation to principals to be creative in coping not just with the effects of declining enrollments, but also with other societal trends such as the extensive use of educational television as an instructional aid for pre-schoolers and demands for an end to or modification of compulsory schooling laws. The author calls for a leadership style with the capabilities to do more than merely administer a school--one which can develop educational programs that combine school, community life experience, and the use of the media.

Davis, Russell G. and Lewis, Gary M., The Demographic Background to Changing Enrollments and School Needs, a paper prepared for the Center for the Study of Public Policy and funded by the National Institute of Education, February 1976.

Included in this paper are enrollment projections through 1990 for K-postsecondary education as well as a discussion of the geographic and racial distribution of the school-age population during this time period. Except for the K-8 grades, enrollment will steadily decline. In K-8, however, enrollment will decrease until 1982 and then rise, but will not reach the enrollment peak of 1969. Central cities will lose enrollment at a faster rate than the national average and at the same time will experience an increasing concentration of non-white students.

The authors list several social and economic trends which coincide with enrollment decline and which can affect educational programs. For example, slowing economic growth may bring demands for job-related training rather than the expansion of general schooling and the increased participation of women in the work force will have implications

for both the kind of schooling children receive and when they receive it.

Decekber, Erwin, "The Shrinking Schools," California School Boards, Vol. 34, No. 2, February 1975, pp.28-30, 32-33.

The author outlines the scope of enrollment decline in California and then argues for a change in those laws which constrain local school districts in their efforts to cope with decline. These laws include ones governing the bases for ADA and revenue limits, the dismissal of surplus teachers, and the use of teachers in areas other than the one in which they are credentialed.

Erickson, Kai L., "Some Suggestions to Soften a Somber Economic Picture for Teachers," Phi Delta Kappan, Vol. 56, No. 7, March 1975, p.473.

This article represents the viewpoint of the NEA in its suggestions for dealing with the current surplus of teachers. It advocates the extension of public education down to the pre-kindergarten level, smaller class size, and greater administrative efficiency through consolidation of school districts. Teachers are encouraged to achieve these goals through increased collective bargaining and political activity.

Fields, Edward E., "An Urban District Dilemma: Dwindling Enrollments, Growing Problems, Crisis, Conflict," paper presented at the American Association of School Administrators convention, Dallas, Texas, February 21-24, 1975.

This narrative by the Associate Superintendent of the Kansas City, Missouri school system illustrates the problems of district decline as they impact on urban areas. Out-migration from the central city by white families has meant that not only has the school population decreased, but also that it has become increasingly minority in its racial

racial composition. Operating costs have increased, yet tax levies have become more difficult to pass. Another, often-neglected, aspect of school decline in urban areas is present in Kansas City. Urban renewal and freeway construction have greatly accelerated enrollment reductions and severely affected school district policy. Consequently, there is a need to interface city (municipal) and school district planning and decisionmaking functions.

Freeman, John and Hannan, Michael T., "Growth and Decline Processes in Organizations," American Sociological Review, Vol. 40, April 1975, pp.215-228.

Using changes in the sizes of personnel categories in 805 California school districts as a data base, this article formulates and tests a model which distinguishes the effects of organizational growth and decline as they relate to various components of an organization. The authors found, using a set of regression equations to analyze the data, that growing and declining organizations will be similar in the relationship between the size of the direct (or production) component and the demand for organizational products or services. However, growing and declining organizations will differ in the relationship of sizes of the supportive (administrative and support services) component size to direct component size and to demand. In terms of public education, this means that in a time of decline, the proportionate decrease in the size of the teaching force (direct component) will not be matched by a similar loss in the number of administrators and support staff. Unfortunately, there are a limited number of time-points included in this analysis, but it does go beyond most of the empirical literature in this area which is based solely on cross-sectional analysis.

Goettel, Robert J. and Firestine, Robert E., "Declining Enrollments and State Aid: Another Equity and Efficiency Problem," Journal of Education Finance, Vol. I, Fall 1975, pp.205-215.

This article focuses on the fiscal implications of school enrollment decline and on the role of the states in assisting local school districts to cope with the problem. The authors point out that enrollment declines seem to be most severe in those districts already seriously affected by fiscal pressure and community problems, and that it is also these same districts which will experience the greatest increase in the proportion of pupils requiring high cost services. The authors propose several ways that state aid can be allocated based on both the degree and longevity of decline.

Hickrod, G. Alan, Thomas Wei-chi Yang, Ramesh Chandhari, Ben C. Hubbard, Enrollment Change and Educational Personnel Change in the K-12 Schools of Illinois. A supplement to the Report of the Illinois Task Force on Declining Enrollments, Illinois Office of Education, March 1976. Research Report 3-HYCH--76, Center for the Study of Educational Finance, Department of Educational Administration, Illinois State University, Normal, Illinois.

Using data from a majority of school districts in Illinois (though excluding Chicago), this study analyzes enrollment changes from 1970/71 to 1974/75 and staff changes for the period 1969/70 to 1974/75. The researchers found that the factor most likely to distinguish districts with declining as opposed to rising enrollments was family income. The greater the percentage of families with incomes over $15,000, the greater the likelihood that a school district showed an increase in enrollment during this period. On the other hand, districts with declining enrollments were also those with increased percentages of Title I eligibles. It was also found that higher average teacher salaries, enrollment decline, and staff reductions were greater in urban districts in Illinois than in suburban areas. In addition, it was found that administrators and support staff have not been decreased proportionately as pupil enrollments have decreased, and as the size of the classroom teaching force has been decreased.

The authors make a number of recommendations to modify Illinois' present grant-in-aid system so as to help those districts most affected by enrollment decline. For example, they recommend a change in Title I weighting as a response to the problem of declining enrollments in urban districts and to the changes in clientele in these districts.

Illinois Task Force on Declining Enrollments, Illinois Office of Education.

Composed of teachers, administrators, university and Board of High Education staff, representatives of educational associations and the Illinois Office of Education, this task force was asked to develop recommendations to aid the state and local school districts in solving the economic problems accompanying declining enrollments. The task force made a number of recommendations for what can be done at the state level to assist local school districts. Among them are: 1) a slow-down, for a time, in the rate of claimable pupil loss for general state aid purposes; 2) provision of technical assistance by the State Office of Education to local school districts in making enrollment projects and, 3) regulation by the Board of Higher Education of the number of teachers trained in Illinois public institutions.

Keough, William F., Jr., "Early Warning Signs of An Enrollment Drop," School Management, Vol. 18, No. 7, August-September 1974, pp. 32, 36-37, 42.

Keough argues against sole reliance during periods of decline on the Cohort-Survival method for predicting enrollments. In the past, school districts have assumed that the percentage of live births in any given year who appear as kindergartners five years later, averaged over a four or five-year period, will provide a measure of enrollment in any future given year. Keough believes, that while such a technique

is reliable enough in a period of growth, the more subtle indicators proposed by Sargent and Handy (see below) are much more appropriate in a time of decline. He then lists a number of questions which school district administrators can ask in attempting to determine the magnitude of potential enrollment drops.

Martin, R. and McCartney, R.J., "Education's Big Boom is Ending, but Studies to Get More Diverse," Wall Street Journal, April 8, 1976.

Based on the predictions of a number of educational experts, this article summarizes expected developments in education over the next twenty-five years. Although the traditional school-age population will decline, these experts believe that public education will expand beyond formal academic schooling. Life-long education will gradually become the norm and students will stay in school longer, but intersperse formal schooling with job experience. "Learning centers" will be located in public buildings, offices, and factories. Additionally, in an effort to increase educational "productivity," more electronic teaching aids will be used.

Mayhew, Lewis, B., Educational Leadership and Declining Enrollments, McCutchan Publishing Corporation, Berkeley, 1974.

This book is the result of discussion among faculty members and a conference held at the School of Education, Stanford University on the training of educational administrators in a time of decline. The participants speak of education as a declining industry. They note that declining industries possess common characteristics. As growth slows, managers and administrators tend to age and incumbents remain in positions longer. Long tenure, especially in the face of dwindling resources, tends to produce lower morale and incumbents, faced with an oversupply of qualified younger applicants, guard their positions tenaciously.

The Stanford response in terms of a training program for school administrators has been to establish a school of applied social science research. The required core curriculum includes courses in policy analysis, decision science, and quantitative skills. At the same time, however, the faculty has tried to place new emphasis on the Ed. D. degree for practitioners and to arrange for paid internships together with a correlated seminar. The Stanford authors admit that the kind of program they are implementing may be inappropriate for state schools with considerable extension and service responsibilities. On the other hand, they feel all schools could benefit from making a clear distinction between the Ph.D. and the Ed.D. degree; from emphasizing quantitative skills; and above all, from limiting enrollment.

National School Boards Association, "Declining Enrollment," Research Report 1976--1, Evanston, Illinois, 1976.

The first part of this report summarizes the reasons for declining enrollment and how decline differs, depending on local district characteristics. The second part is, in effect, a handbook for school districts to use in forecasting enrollments and in responding to the effects of decline. Particularly important are the sections on building community support and on criteria for deciding whether or not to close a school or convert it to other uses.

Rodekohr, Mark, "Adjustments of Colorado School Districts to Declining Enrollments," report submitted to the IBS Subcommittee on Academic Disciplines of the Study Commission on Undergraduate Education and the Education of Teachers, University of Nebraska, September 1974.

This analysis is based on aggregate data from all school districts in Colorado and on survey data from seventy-three Colorado districts which experienced declining enrollment during the decade of the 1960's. In addition, five case studies, each exhibiting a different type of decline, are included in the analysis. The author makes three particularly interesting conclusions: 1) many superintendents in districts that had suffered decline were unaware of this trend and actually denied it, 2) declining school districts seemed to have a higher quality of education than expanding ones, and 3) the larger the district undergoing decline, the better the chance it seemed to have at making a successful adjustment. Although this is one of the few large-scale empirical studies of enrollment decline, it may have limited applicability because most of the declining districts in Colorado are rural. Consequently, it was not possible statistically to control for all rural-related variables in completing the analysis.

Samuelson, Robert, "The New York Effect: An Era of Retrenchment," The New Republic, Vol. 173, No. 24, December 13, 1975, pp.12-14.

Samuelson argues that New York's crisis can be seen as a catalyst in the growing retrenchment of state and local governments throughout the country. Three diverse, but coincidental trends--the rise of revenue-sharing, the squeeze on real incomes, and demographic changes--are tending to restrain local spending. Consequently, local governments are under far less pressure to spend more for public education, the largest single item in most localities' budgets.

Sargent, Cyril G. and Handy, Judith. Fewer Pupils/Surplus Space: A Report, Educational Facilities Labs, New York, 1974.

This study, one of the most comprehensive analyses of school enrollment decline, is organized into two parts. The first, using demographic data, attempts to project enrollment trends. The second, based on personal interviews in one hundred districts chosen at random in forty states and on questionnaire responses from twenty-five large districts, deals with district responses to shrinking enrollments and

surplus classroom space.

The authors outline quite a few indicators of local mobility (e.g. urban renewal actions, housing starts, utility company connections, etc.) which can be used by school administrators to supplement federal census data in making enrollment projections. Sargent and Hancy also discuss a number of successful solutions various school districts have used in converting empty schools to other uses. The solutions, which may be most effective in the long-term, are those involving regional cooperation and shared programs and facilities across local-district boundaries. Above all, the authors stress the importance of adequate planning for any school district facing or experiencing shrinkage.

Trombley, William, "Claremont in Furore Over Decision to Close Oldest Grade School," Los Angeles Times, January 12, 1976.

Community controversy over the closing of an elementary school in Claremont, California indicates what can happen if such closings are allowed to turn into political issues. The school closing in Claremont has become a symbol of community cleavages focused on traditional vs. progressive education and the interests of new vs. long-time residents. The school board failed to involve the community in planning for reduced enrollments and consequently, finds itself being sued and some of its members threatened with a recall election.